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PP RUEHBC RUEHDE RUEHKUK  
DE RUCNDT #1953/01 2851648  
ZNR UUUUU ZZH  
P 121648Z OCT 06  
FM USMISSION USUN NEW YORK  
TO RUEHC/SECSTATE WASHDC PRIORITY 0433  
INFO RUEHEE/ARAB LEAGUE COLLECTIVE PRIORITY

UNCLAS SECTION 01 OF 02 USUN NEW YORK 001953

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E.O. 12958: N/A

TAGS: [AORC](#) [KUNR](#) [UNGA](#)

SUBJECT: UN OVERSIGHT: OIOS RECOMMENDS IMPROVEMENTS TO  
MANAGEMENT OF REGIONAL COMMISSION IN WESTERN ASIA

¶1. SUMMARY: The Office of Internal Oversight Services (OIOS) has conducted a review (A/61/61) of the program and administrative management of the Economic and Social Commission for Western Asia (ESCWA). OIOS notes that ESCWA consistently uses results-based management, and is one of the most advanced entities in the UN Secretariat in that regard. OIOS also highlights five challenges that impact ESCWA's ability to be more effective and makes 20 recommendations to address these challenges. The five challenges are: a) the organizational structure has to be normalized; b) the Statistical Division needs to be reestablished; c) the comparative advantages of ESCWA have to be reassessed and its collaborative networking with regional partners strengthened; d) information and knowledge management must be advanced to a qualitatively new level commensurate with the regional role of ESCWA; and e) it is necessary to make the executive management culture more consistent, objective, and transparent. ESCWA management only agrees with two of these five challenges and none related to the management of the commission. END SUMMARY.

¶2. The OIOS report states that ESCWA management has introduced a "team" concept to promote multidisciplinary collaboration and in doing so, replaced the conventional structure of "branches," "sections," and "units." OIOS recalls that in established management practices, multidisciplinary teams are created to deliver a concrete output and are disbanded once the objective has been achieved. In addition, normal reporting and organizational structures remain to ensure clear reporting lines and accountability. In the case of ESCWA, there is a blurred line due to the discontinuation of normal structures and authority is often unclear. OIOS believes that it is time to reconsider the organizational structure.

¶3. OIOS notes that ESCWA disbanded the Statistics Division in 2003 and redeployed the staff to the substantive divisions, in order to bring the statisticians and experts closer together. OIOS found that the experts and statisticians were working more closely, but the synergy between statisticians had been lost. While a Statistical Coordination Unit does exist, OIOS notes that there has been uneven staffing and an unclear mandate for the Unit. The result has been some duplication of efforts and the lack of timely and comprehensive collaboration with the Statistics Division of the Department of Economic and Social Affairs and other statistical entities. OIOS recommends that a Statistics Division should be reestablished. ESCWA notes its intent to review the situation.

¶4. With regard to staff capacity and training, OIOS observes that the training plans did not reflect any meaningful efforts to adjust the knowledge base and skills of staff that had been redeployed during the previous restructuring. Also, there was poor planning with regard to training opportunities and not enough thought was given to group training vs. individual training, where the former could be more

productive and less costly. In addition, actual expenses for training often exceeded allocations and proper internal consultations did not occur with regard to reallocation of funds. This leads to a question as to how overspending for training was accommodated within the approved budget for ESCWA.

¶15. With regard to ESCWA's regional role, OIOS found that the Regional Coordination Group, which ESCWA chairs and is meant to serve as a way for all of the regional commissions to coordinate, does not meet expectations. The Group has not led to better collaboration and there is still no reliable method to monitor and organize implementation of joint programs. In addition, the Group's page on the ESCWA website is out of date and does not offer much valuable information.

¶16. ESCWA has made improvements to its website overall, though, OIOS reports. The website has enhanced its visibility and outreach, though information sharing via the Intranet is still a work in progress. On information and communication technology (ICT) overall, OIOS observes that there is not an overall ICT strategy focused on return for investment. For example, ESCWA has nine systems in place and fragmented ICT reporting lines, resulting in duplication and dilution of resources. OIOS therefore recommends the hiring of an information master. OIOS also believes that ESCWA's ICT resources must be increased, as the standard for ICT staff resources in the UN Secretariat is five percent and ESCWA is at four percent. ESCWA agrees with the recommendation, but notes that it is difficult to implement the recommendations under a zero growth budget.

¶17. OIOS also comments on knowledge management, noting that information voids exist and there is a need to fully realize the potential of the Intranet for organizing and sharing internal information. OIOS notes with concern that there are

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not yet fully developed shared local area network folders. OIOS also sees that other resources for information, such as the UNDP National Human Development Report, are not fully utilized. OIOS recommends the creation of a dedicated post of knowledge manager. ESCWA agrees with this recommendation, but again points out that it is nearly impossible to implement without additional resources.

¶18. OIOS states that ESCWA's administrative procedures need to be streamlined and modernized (for example, hard copy formats are still used for many items, such as phone billing and travel approval). OIOS also raises concerns regarding human resource management and recalls instances where established policies and procedures were not followed by management, such as with contract renewal. OIOS praises the Executive Secretary for enhancing ESCWA's regional profile and for his active support of staff. They suggest, however, that more effective advisory mechanisms are needed, as the current Cabinet is too large to do this job effectively. They also suggest better utilizing the post of Deputy Executive Secretary. ESCWA does not agree with any of the recommendations in this area and actually rejects the recommendation to "ensure that the norms of transparent and effective oversight are adhered to by observing established reporting lines and addressing accountability issues in a consistent and fair manner."

¶19. In conclusion, OIOS notes that the strength of ESCWA is its multidisciplinary experience and knowledge of the specificities of the region. Its weaknesses are micromanagement and lapses in transparency, insufficient information sharing and difficulties in mobilizing extrabudgetary resources.

¶10. COMMENT: USUN recommends that the U.S. follow established practice and join consensus in a resolution that "takes note" of the inspection report. Many of the management issues that OIOS raises should be addressed in the context of the 2008-2009 biennium budget and after further information is

provided by ESCWA with regard to its implementation of the  
OIOS recommendations. END COMMENT.  
BOLTON